
Board Action Bulletin



Prepared by the Office of External Affairs

NCUA BOARD MEETING RESULTS FOR JUNE 30, 2005

Comments sought on reducing regulatory burden

The NCUA Board is seeking comments, within 90 days, to identify outdated, unnecessary or unduly burdensome regulation requirements relating to directors, officers, employees and rules of procedure.

Supplementing NCUA's regular, ongoing regulatory review process, this is the fifth in a series of comment requests, slated to review regulations by categories, in an effort to reduce regulatory burden, as required by the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA). EGRPRA asks for comments on all aspects of the agency's regulations, including observations of how rules interact as well as redundant or potentially inconsistent regulatory requirements.

Comments received will be posted on the EGRPRA website, www.EGRPRA.gov, and will be considered in future regulatory relief initiatives.

Federal Credit Union Bylaw revisions proposed

The NCUA Board issued proposed revisions to update, clarify and simplify the *Federal Credit Union Bylaws*, with a 90-day comment period. Last updated in 1999, the bylaws published by NCUA facilitate FCU supervision by ensuring all federal credit unions use essentially the same rules for governing themselves.

Highlights of proposed bylaw revisions include:

- Add a new introduction addressing the legal nature of the bylaws, the amendment process, and NCUA's position on internal bylaw disputes;
- Add more flexibility for FCUs to establish policies regarding membership of joint account holders, select rules of procedure for meetings, and provide election notices by email;
- Require that FCUs include a paper ballot along with instructions for voting by electronic device;
- Require that FCU boards adopt policies regarding training board members and other volunteers in areas such as ethics and fiduciary responsibility, compliance and accounting;
- Increase from 500 to 750 the maximum number of member signatures required to call a special meeting;

- Add section titles and increase the use of plain English to make the bylaws more user-friendly; and
- Add staff commentary at the end of some articles to provide NCUA Office of General Counsel interpretations on frequently presented issues.

Votes are unanimous unless indicated.